

NORTH ATLANTIC AREA CUSTOMER ACQUISITION GUIDE

February 20, 2008

The purpose of this Customer Acquisition Guide is to better assure that our customers obtain the highest quality contracting services. It is meant to be a “how to” summary to prepare a ready requisition package so Contracting can proceed to obtain commercially available products on a competitive basis. This information is required for all purchases over the micro purchase level of \$3,000.00. It is not possible to address every circumstance so any examples provided should be tailored to meet the unique requirements of your specific acquisition. You are encouraged to coordinate with your contracting officer throughout the process.

Acquisition planning consists of the process of identifying and describing the acquisition requirement to determine the best method for acquiring that requirement. Just about all equipment/supply and service purchases awarded throughout the North Atlantic Area are classified as commercial item purchases. A commercial item is any item, other than real property, that is customarily used by the general public or by non government entities for purposes other than for government purposes. The item must have been sold, leased to the general public or offered for sale, leased, or licensed to the general public.

Ready Requisition Package

Once your research unit has determined a mission essential item can be purchased and funds are available, you can generate the required documents for a “ready requisition package”. If funding is not immediately available, but, there is good reason to believe the requirement will be funded, you can proceed to prepare the requisition package with a note on the AD700 that this requirement is **PENDING THE AVAILABILITY OF FUNDS**. This package must include a specification, market research analysis memorandum, independent government cost estimate, a list of potential sources, and, a justification for other than full and open competition if this applies. This information is to be attached to a signed and approved ARS Form AD700. The “ready requisition package” can then be forwarded to the Administrative Officer for review who will then assign the work to your purchasing agent.

Purchase Requisition

A completed AD700 is to be attached to the ready requisition package. This document is used by the buyer to show funding appropriation and the budget holder’s approval to expend the funding. Once the procurement action is ready for award, a request will be submitted for your unit’s requisitioner to input the requisition into the Agency’s Integrated Acquisition System (IAS). In short, the AD700 form just shows the procurement is approved for processing. As noted above, an AD700 can be submitted for procurements when funding is not available but will be allocated by the end of the fiscal year. It must be noted in the description block that this procurement is “pending the availability of funds”. The buyer will not execute the award until a fully funded document is received.

Specification

A specification is a detailed description of the responsibilities of the contractor and government in achieving a contractual end result. This is the heart of the procurement and the most influential document the requester must prepare. The specification must be clear and precise to accurately describe the requirement. It must be written to represent the actual minimum need and written in a manner that does not restrict competition unnecessarily. Generally, specifications prepared in the North Atlantic Area are either performance or brand name or equal specifications. Design specifications are written for products where the Government is responsible for the design. This is generally for developmental items.

Performance specifications show the performance characteristics required of the item which generally is available in the commercial marketplace.

Brand name or equal specifications are used when, because of technically involved manufacturing techniques or other supportable reasons, an adequate specification cannot be furnished. The item is identified by name of the representative manufacturers' products or brands, followed by the words "or equal" so as to limit competition to the particular products or brands names. The use of brand name or equal purchase descriptions is limited to procurements of standard commercial products. The specification shall identify a catalog description, a number applicable to the specific product cited. It will describe the minimum essential requirements and specific salient features necessary to satisfy the Government's need. The identification of salient features allows products other than the specified brand name to compete for the requirement.

Section 508 of the Rehabilitation Act of 1973. The Rehabilitation Act (as amended) requires Federal agencies to make their electronic and information technology accessible to people with disabilities. The law requires all federal agencies when they develop, procure, maintain, or use electronic and information technology that access must be given to disabled employees comparable to the access available to other. All new procurements must include Electronic and Information Technology (EIT) Accessibility Standard for all telecommunication products, transaction machines office equipment and others. Section 508 Accessibility Compliance Clause shown in the sample specification found in NAA's Procurement and Property Page is to be included in an EIT product/service specification.

Format. The standardized format is to be used for all acquisitions over the micro-purchase threshold of \$3,000.00. If there is a paragraph in the sample that does not apply to your acquisition, then state Not Applicable. The contracting officer will understand that this section has been reviewed but does not apply.

Market Research

The Federal Acquisition Regulations (FAR) requires collecting, analyzing and documenting information about ability within the common market place to satisfy your needs and to meet statutory requirements, i.e. award to small business whenever practicable. You must adequately research and document the extent to which commercial items and small businesses are available to meet your needs. Methods you can use to conduct this research is to review GSA federal supply schedules, industry publications, periodicals, trade journals, trade shows and the internet. It must also be documented that agency excess inventories and federal suppliers such as the Prison Industry and AbilityOne were research for product availability.

Document the Market Research Findings. Describe the results of information received from each vendor contacted regarding their product/service capabilities. At a minimum three (3) vendors need to be located to assure adequate competition. Questions to each vendor should be the same to assure comparison information is equal to determine if the vendor's products meet your MINIMUM performance needs. Initiate clarifications to assure you understand the product features as well as other issues, such as ability to meet required delivery times, warranty and training needs if applicable. Identify what the vendor's current market price is for the intended purchase item, if this item is available on a Federal Supply Schedule (if so ask for the schedule contract number), and the vendor's business size (i.e. small business, women-owned, small disabled veteran owned).

Independent Government Cost Estimate (IGCE). This information is to be included in Section V of the market research document. It shows the Government's projection of what the end product or service cost will be at the time of award and assist the contracting officer in determining a fair and reasonable price. There are various methods available to find this information. Selection of the method will depend on the product or service to be procured. Information available to review includes prices paid in the past for the product/service or those of similar nature, comparison of price paid by the vendor's most recent customers and catalog or list price information.

Format. The standardized format shown on NAA's Procurement and Property Web Page is to be used for all acquisitions over the micro-purchase threshold of \$3,000.00. If there is a paragraph in the sample that does not apply to your acquisition, then state Not Applicable. The contracting officer will understand that this section has been reviewed but does not apply.

Vendor Source List

Once you have explored the market place you will then be able to develop a vendor source list. This list will be used to compete the requirement to obtain the best price available for a product/service that will satisfy your needs. Please provide a list in your procurement package to show each vendor name with their complete address, name and phone number for the point of contact you reached to discuss their product availability, information given such as federal supply schedule contract number if the vendor offers this product on GSA EAdvantage and the vendor's business size status.

Justification for Other than Open Competition (JOFOC)

Procurement regulations required that offers be solicited from a sufficient number of qualified sources necessary to assure full and open competition. This assures that purchases will be made to the best advantage to the Government. There are times when due to unique circumstances, competition must be restricted. There are only seven (7) circumstances listed in the Federal Acquisition Regulations. The one that generally applies to the purchase of supplies or services is that there is only one responsible source and no other supplies or services will satisfy agency requirements. The regulations do not allow procurements without competition due to lack of advance planning or concerns regarding the amount of funds available for the purchase. A formal Justification for Other than Full and Open Competition is required for all acquisitions over \$3,000.00. The information gathered and documented in the market survey analysis should show what products are offered by competitive vendors but with an explanation on why this product does not satisfy your acquisition needs. This needs to be specific as most products are available from multiple vendors within the commercial market place. Examples where a sole source procurement may be justified are: if it is a piece of equipment to be purchased must be attached to an existing piece and only the original equipment supplier can furnish and there are no distributors that sell the equipment supplier's products or a specific brand product is used in a research project and additional supply of the same product is needed so not to affect the scientific results that are trying to be achieved.

Format. A sample of the required format, as regulated by the federal acquisition regulations, is listed on NAA's Procurement and Property Web Page.

Product Demonstrations

Manufacturers, distributors and other companies involved in selling goods have various methods of promoting their product. One common promotional device is the product demonstration. A product demonstration is a marketing method in which a firm allows the Government to use its product for a limited amount of time at no cost – try it before you buy it concept. As only a contracting officer can enter into a binding agreement, it is important that the guidelines listed in ARS P&P 10 -01 be followed. The P&P provides a sample of an agreement that is to be signed by the promoter and the Contracting Officer outlining the conditions of the demonstration. It must include the time period of the demonstration, the product to be demonstrated, delivery terms and most import clearly state the Government's lack of liability in the product demonstrator. It also must state that the demonstration as noted in the agreement does not give the promoting contract any type of competitive advantage or quality them as a sole source vendor. Please contact your purchasing agent for further information regarding product demonstrations. Sample of the agreement is listed on the NAA Procurement and Property Web Page .